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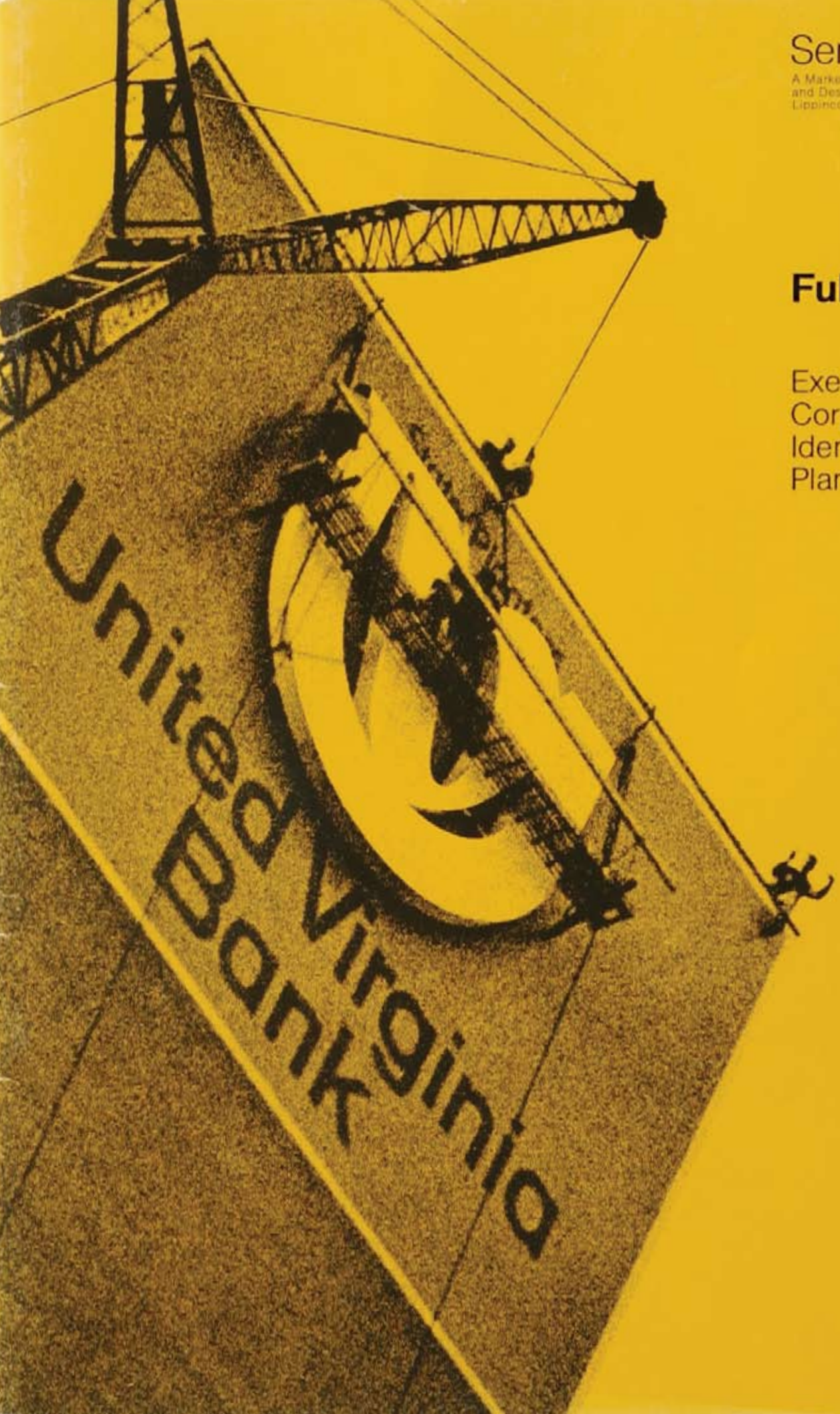

Fulfillment

Executing a Corporate Identity Plan

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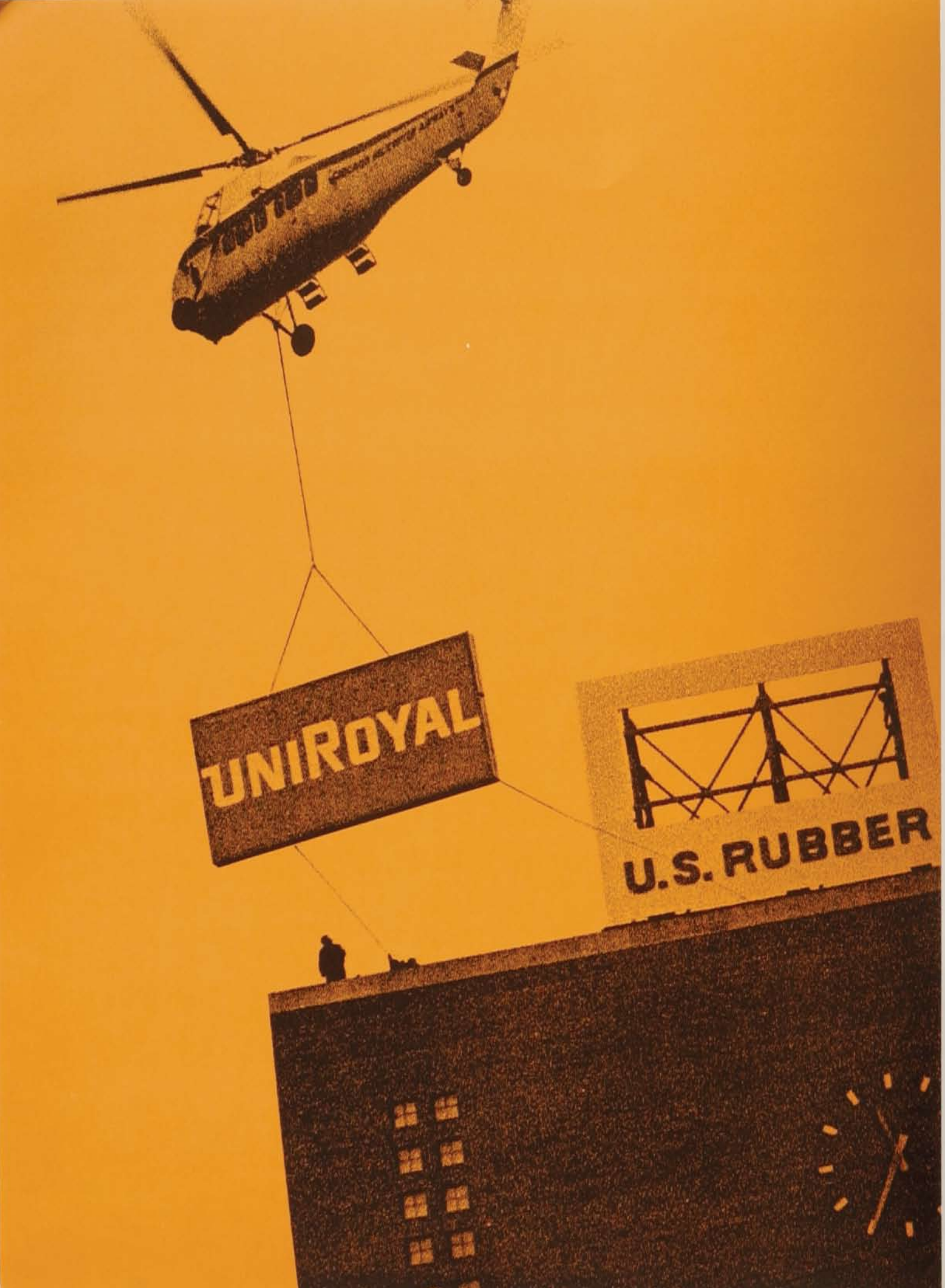
If you are considering a corporate identity program, in the midst of one, or merely interested in the subject, you should find this issue of SENSE of particular value. It details the important steps in executing a successful communications program, while pointing out many of the inherent pitfalls. To the best of Lippincott & Margulies' knowledge, this is the first time this subject has ever appeared in written form. The areas of information covered include:

4 **Who's Responsible?**
6 **Internal Communications are Vital**
8 **Establishing Priorities**
9 **The Mechanics of Fulfillment**
12 **Necessity for Continuing Review**
14 **Presenting the Program—A Unique Opportunity**
17 **Some Common Problems**

NOTE: Special check lists may be found on pages 12, 13 and 20.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Fulfillment

Executing a Corporate Identity Plan

A great deal of material has been published over the years on the subject of corporate identity. Not surprisingly, much of it stressed the importance of developing an effective identification strategy. But rarely, however, has the *practical implementation* of such programs received more than cursory treatment. And yet, the matter of *how an identity program is carried out is as vital to the achievement of a company's goals as the creation of the corporate identity program itself.*

What exactly is implementation? In essence, it is the way a corporate identity plan is put into effect. This will usually mean change, but it can also mean not to change, depending on identity goals. Implementation can be further defined as the mechanics of fulfillment; the putting forth of corporate self-knowledge in a consistent manner by applying a planned verbal and visual format to those areas in which a company communicates, from advertising to architecture, packaging to policy pronouncements, signage to stationery, trade names to tank cars.

At Lippincott & Margulies, our experience has shown that the effectiveness of a corporate identity program is commensurate with the force of its implementation—that is, in proportion to the degree to which it has been applied throughout the various areas of a company's operations. If implementation is weak or poorly organized, or if clear lines of authority are not firmly established, even the best strategy, the most thoughtfully designed program, will fall woefully short of its desired goals.

Beyond this, however, is the fact that the implementation process presents an unparalleled opportunity for a company to gain increased recognition and acceptance by presenting itself in a forceful and credible manner using the variety of tools that already exist within the firm.

Proper implementation of an identity program, whether it is designed for a corporation or a division, a large company or a small one, must be based on a strategic concept that is in keeping with management's near-term and long-range objectives. And management, plus all those involved in the program, must understand that such a concept is all-inclusive. The way a company looks,

everything that it does or says, should be related to its marketing and financial goals. Therefore, to assure optimum identity implementation nothing is too small (or too large) to be overlooked.

Who's Responsible?

The nature of a corporate identity program, if it is to be effective, is such that it must begin at the pinnacle of the corporate structure, spread within the company itself, and finally reach out to the firm's many publics. Accordingly then, the first imperative for efficient, full-scale implementation of a communications strategy is a *strong and abiding commitment at the highest level of management.* Mere lip service to the plan will not suffice. *Visible* management support is vital. For unless clear authority is established at the top, implementation activities can easily break down.

Says one executive currently charged with coordinating such activities, "Nothing can overcome an employee's reluctance to change like knowing the man upstairs is behind it 100 percent. This simple fact virtually ensures cooperation at all levels and avoids costly, time-consuming misunderstandings."

In assigning responsibility, great care should be exercised in selecting the right man to oversee all aspects of the implementation process. It should be stated at the outset that the job will be a demanding one. Title, of course, will vary from firm to firm. (At RCA, for example, Mort Gaffin is listed as Director of Corporation Identification, while J. I. Case Company's Public Relations Director, Don Fricker, doubles as Coordinator of Implementation Activities.) But whatever his title, the man in charge of implementing a corporate identity program has two principal duties:

1. He is responsible for the translation of the overall identity plan as it relates to all forms of communications; and
2. He must organize and supervise implementation to make sure it is carried out in accordance with proper procedures.

The individual chosen should preferably be a member of the company, someone who is thoroughly familiar with its organization and personnel. With respect to his other qualifications, they fall almost into the category of wizardry. The man selected must have the capacity to understand the concepts behind the identity program, and the planning and budgeting involved. Further, he must accomplish his task without disrupting morale or preempting existing divisional or departmental responsibilities. Optimally, the individual should be communications-oriented, an expert organizer, salesman, enthusiasm-builder, idea-generator and master diplomat.

And with all these qualities, he still may need assistance, especially if his company is a large, multidivisional corporation.

RCA, for example, has a permanent Corporate Identification Department staffed by three executives—a Corporate Identification Director, a Manager of Corporate Identification Practices and a Manager of Graphic Design. These men are aided by certain part-time "coordinators," one man from every major operating unit who is responsible for channeling and distributing implementation information throughout his particular division. In some large divisions, the coordinator may appoint others to assist in this function.

According to RCA's Mort Gaffin, the work done by the coordinators is essential to the success of RCA's communications program. "Because of the size and scope of this company, our staff cannot physically cover all areas, but the coordinators are right there on the spot serving as catalysts to effect the necessary changes."

Other firms utilizing a similar organizational format for implementing their corporate identity programs include Canadian Pacific and Bendix. And it is interesting to note that, with respect to its part-time regional coordinators, Bendix purposely selected men who had had prior experience in advertising, promotion or public relations, the premise being that their respective backgrounds in communications would enable them to function more efficiently in policing their regions.

Leading farm and construction equipment manufacturer J. I. Case, on the other hand, took a different approach and created a Corporate Committee for Symbol Identification. Each committee-

Key personnel must understand the reasoning behind the corporate identity program, know what it is trying to accomplish and how they can assist in its implementation.

man (in his own right, a corporate vice president or a high-level executive) was assigned to oversee a specific implementation responsibility such as product identification or branch and dealer facililities and signage.

"In practice it has worked out much better than many anticipated," says Don Fricker. "Every committee member is an excellent administrator and has a competent staff at his disposal that can be called upon to pitch in and get the job done."

Internal Communications Are Vital

To do his job, a director of implementation will require the support and cooperation of numerous other members of the corporate family. Foremost among them are the heads of divisions and subsidiaries, not to mention executives in marketing, advertising, promotion, design and public relations. These key people must be kept up to date on implementation policies and procedures because their cooperation, or lack of it, can crucially affect the entire program.

Thus, *it is imperative that all concerned personnel be fully informed as to the reasons for the new program, its goals and objectives, the methods, procedures and timing of implementation, and the anticipated end result.* And the earlier this is done, the better.

Why is this so important? Because implementation of a corporate identity program can sometimes be an immense task and cooperation from all areas is vital. For example, Canadian Pacific, the world's largest transportation combine, was faced with the problem of applying its new identity scheme to 1,100 diesel locomotives, 87,000 freight cars, 800 passenger coaches, dozens of passenger aircraft, cargo and passenger ships, plus 5,000 highway trucks.

Implementing a corporate identity program can be an immense opportunity. Canadian Pacific is applying its new identity scheme to thousands of vehicles, including aircraft.

And at RCA, the changeover in paperwork alone involved some 20,000 different letterheads, envelopes and business forms.

Establishing Priorities

Once a company has adopted a corporate identity program, there is a natural tendency to want it implemented as quickly as possible. Unfortunately, no identity plan can be implemented overnight. Nevertheless, in their urgency to effect a swift changeover, many firms fail to think things through in determining implementation priorities. Since no two companies are the same, there can be no hard and fast rules in this area.

But it could be a mistake for a firm to conclude that it should tackle first those identity elements that are comparatively inexpensive or easy to change simply on that basis alone, while leaving larger, more difficult implementation projects until later. Rather, *implementation priorities should be established in accordance with a company's communications and marketing goals.* Each of the various forms of media at its disposal should be carefully evaluated in terms of potential impact. Otherwise, a company stands the chance of being premature in announcing its new communications program with resulting public confusion and lessened initial impact.

For example, it might be unwise for an oil company with service stations as primary identifiers to implement a new identity program via advertising without first changing the look of many of its stations. (When the Cities Service Oil Company became Citgo, for example, it carefully coordinated these functions in such a way that public awareness of its new identity was virtually instantaneous.) Or a company with a tremendous fleet of rolling

stock might find it benefical to initiate a crash implementation program in this area to coincide with the announcement. And then again, there are others that might find their marketing objectives best served by the easier approach, through advertising and other print communications. But in any case, the method chosen must relate to a company's primary identity goals and established budget.

Timing too is important. Not long ago, Dayton Corporation (now Dayton-Hudson Corp., the nation's 14th largest non-foods retailer) adopted a contemporary new look. Dayton's Carl Erickson, head of the firm's department store operations, was recently quoted in the *Public Relations Journal* as saying: "I made the decision to spread the change over a period of time rather than achieve it immediately. Another company might be better off if it planned its budget so that it could complete the transition quickly. If I were advising another company, I'd say get your program ready, plan your dollars for it, and do it all cleanly and swiftly."

Quite obviously, a great deal of planning is required to properly allocate the funds needed to accomplish a specific job. If feasible, one practical way to minimize costs is to introduce changes in the normal course of reordering supplies, such as stationery, or the repainting of vehicles. But a date must be firmly fixed when most, or all, external communications will reflect the new identity.

One preliminary step for a company about to implement a corporate identity program involves determining as closely as possible the cost of maintaining its current corporate communications. To accomplish this, the executive in charge must become thoroughly familiar with his company's purchasing procedures. He must know, for example, who buys what items, how much they cost, how often they are purchased. Such information will enable him to set up realistic schedules and coordinate implementation activities in such a way that they will not unduly disrupt the natural flow of operations.

Many firms are apt to underestimate the amount of money needed to carry out a successful communications program. Because it is abnormal to lump all communications expenses together, management is sometimes staggered by the apparent expense of implementation. However, much of that money is usually spent anyway under various departmental budgets in the ordinary course of doing business, such as purchasing of packaging and promotion materials, replacement of equipment, stationery and supplies, maintenance of plants, buildings, signage, rolling stock. Thus, it is essential to have comparison figures.

Also, the implementation process can help to coordinate many of these functions, and, by bringing such costs out in the open (and consequently under closer management scrutiny), greater savings often result. At Bendix, for example, a company that packages thousands of automotive, avionic, marine and automation products in a diversity of sizes, shapes and materials, such an examination revealed that a significant cost reduction on the purchase of packaging supplies could be effected by establishing centralized sources on a regional geographic basis.

The Mechanics of Fulfillment

Straightening out the hodgepodge of contradictory or confusing verbal and visual impressions is a challenging job, but proper organization will help simplify the task. Thus, eight major areas where a new corporate look and nomenclature will more than likely be introduced include:

1. Company & Divisional Identification
2. Corporate Advertising & Promotion
3. Financial & Other Literature
4. Buildings & Equipment
5. Signage
6. Packaging & Product Identification
7. Transportation
8. Stationery & Forms

Implementation Check List

The accompanying check list illustrates the various types of media under each category which can be controlled and used to reinforce the identity plan.
To help facilitate implementation and ensure correct application, the ground rules for administering a new look and nomenclature will often be set down in a Corporate Identification Manual. This device, if based on a concept of appropriate flexibility, will enable those assigned to carry out the mechanics of the program to distinguish clearly between certain areas of mandatory control and those in which creativity should be encouraged. Properly designed, it will explain the strategy that governs the identity system, differentiate between what is and is not permissible, and leave no loophole for misinterpretation.
This is not to say, however, that the manual should be considered a Bible, or that it can prescribe a solution for every situation that will arise in a large company. It will not. Rather, it ought to be viewed simply as a tool, albeit an eminently useful one, for guiding the implementation process toward fulfillment. Its greatest value, perhaps, lies in the fact that it attests to management's enthusiasm and support for the identity program, a visible reminder of management's intention that implementation activities be carred out in the proper manner.

The Necessity for Continuing Review

Another fundamental procedure, but one that is frequently overlooked by busy managements, is the necessity for continuing quality control. To knowledgeable managers, the need for corporate self-definition is viewed as an ongoing process. And so too must be the process by which that definition is expressed.
Periodic reviews are necessary to determine whether or not the implementation program is proceeding on course. However, these reviews should not be considered merely as policing maneuvers, but also as viable means of bringing the implementation activities in line with new marketing requirements that may

Company Identification

- ☐ Trademarks
- ☐ Trade Names
- ☐ Logotypes
- ☐ Slogans
- ☐ Special Product Names
- ☐ Company Colors
- ☐ Product Colors
- ☐ Official Type Styles
- ☐ Other

Packaging & Product Identification

- ☐ Products
- ☐ Labels
- ☐ Stickers
- ☐ Tags
- ☐ Cartons
- ☐ Boxes & Crates
- ☐ Bottles
- ☐ Cans
- ☐ Drums
- ☐ Closures
- ☐ Displays
- ☐ Other

Advertising & Promotion

- ☐ Newspapers
- ☐ Magazines (Consumer)
- ☐ Magazines (Trade & Business)
- ☐ Television
- ☐ Booklets & Brochures
- ☐ Direct Mail
- ☐ Catalogues
- ☐ Posters
- ☐ Merchandising Aids
- ☐ Research Reports
- ☐ Giveaways & Gimmicks
- ☐ Other

Financial & Other Literature

- ☐ Annual Report
- ☐ Legal Documents
- ☐ House Organs
- ☐ Employee Booklets
- ☐ Notices & Bulletins
- ☐ Public Relations Information
- ☐ Other

Buildings & Equipment

- ☐ Plants—External Appearance
- ☐ Offices—External Appearance
- ☐ Retail Outlets—External Appearance
- ☐ Office Decor & Furnishings
- ☐ Showroom Decor & Furnishings
- ☐ Machinery & Production Equipment
- ☐ Other

Signage

- ☐ Office Entrance
- ☐ Plant Entrance
- ☐ Showroom and/or Retail Outlets
- ☐ Doors—Internal
- ☐ Plant Identifying—External
- ☐ Direction & Information
- ☐ Other

Transportation

- ☐ Trucks
- ☐ Company Cars
- ☐ Company Aircraft
- ☐ Ships
- ☐ Freight & Tank Cars
- ☐ Materials Handling Equipment
- ☐ Other

Stationery & Forms

- ☐ Executive Office Letterheads/Envelopes
- ☐ Divisional Letterheads/Envelopes
- ☐ Branch Office Letterheads/Envelopes
- ☐ Calling Cards
- ☐ Order Forms
- ☐ Invoices & Statements
- ☐ Press Release Forms
- ☐ Report Forms
- ☐ Other

have developed since the program was first initiated. Lippincott & Margulies' experience in this area clearly shows that even though a company may make a substantial investment in developing and implementing a communications program, if that program is not treated as a vital, continuing effort, if it is not constantly supervised and directed, it can often slip out of the corporate grasp.

Canadian Pacific and RCA are two firms that maintain tight quality control. Each company schedules periodic review sessions that are attended by L&M representatives, as well as their own implementation executives. At RCA, for instance, these meetings are held monthly and each division or subsidiary is scheduled for an implementation review at least twice a year.

According to Mort Gaffin, the sessions are extremely constructive. "We try to make the meetings as all-inclusive as possible. Our staff or divisional designers are asked to submit samples of their current work and these are critiqued in order to find out if we're getting the kind of look that properly expresses our new corporate identity. But these sessions also provide us with a ready-made opportunity to upgrade the design. To date, the feedback has been very encouraging, and we've been able to maintain the desired consistency of expression."

Presenting the Program–A Unique Opportunity

When a company is ready to express its new identity, it is almost always desirable to plan a strong initial exposure to the press and its many publics. In fact, such an introduction provides a company with a priceless opportunity to create news.

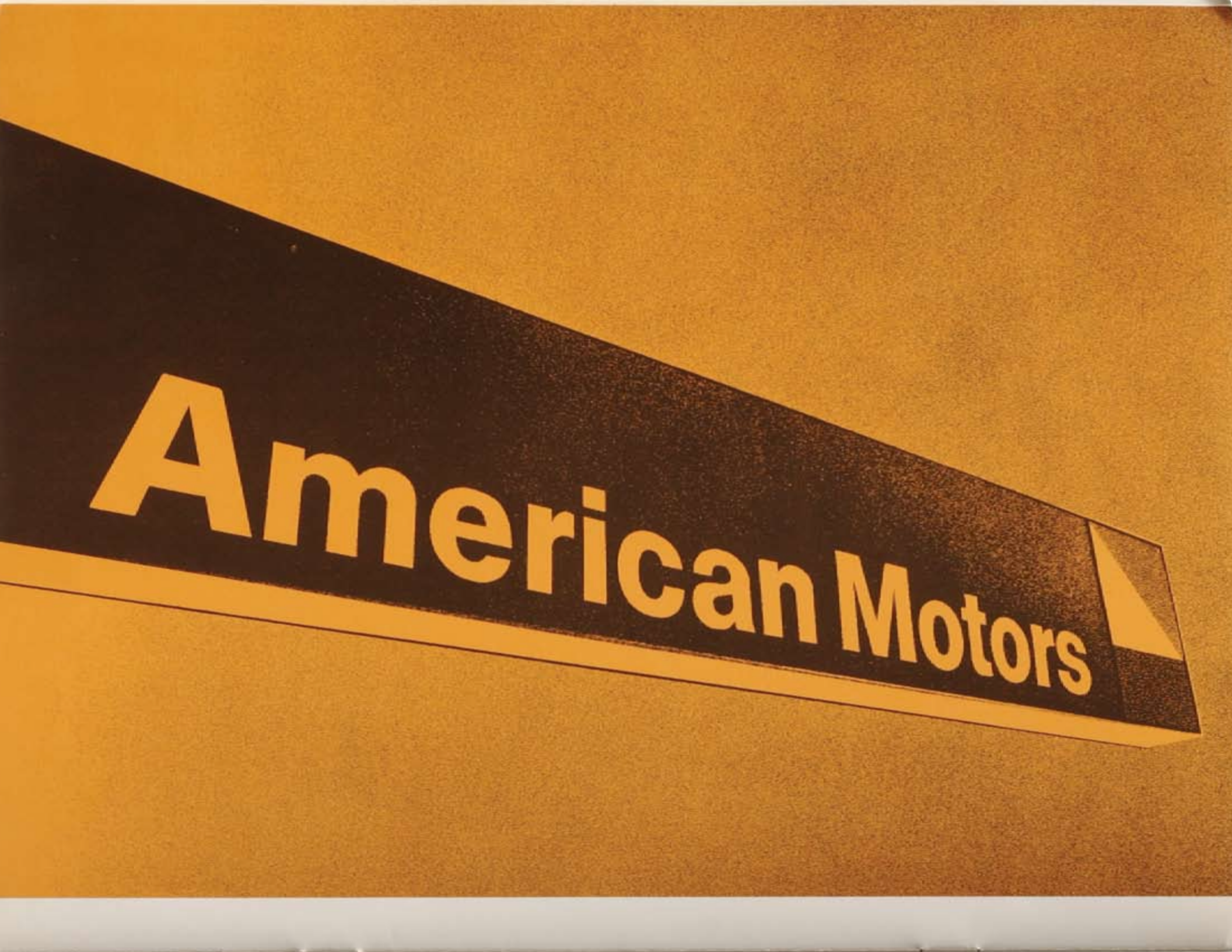
As with any corporate announcement, good timing and careful attention to detail are important factors in a successful presentation. When Security Life & Trust Company of Winston-Salem, North Carolina, chose to form a holding company and call it Integon Corporation, it realized that it faced a potentially hazardous situation. As an insurance firm deriving all of its income from the personal selling activities of 1,100 field representatives, Security recognized that many of its employees, not to mention customers, might view the dropping of the venerable Security name as a purely arbitrary move. Although nothing was further from the truth, the company acted swiftly and decisively to introduce its new identity to employees, press and publics.

Working in partnership with Lippincott & Margulies, Integon declared a company holiday and invited its entire sales force to a special meeting in Winston-Salem. Here company president J. E. Collette explained in detail the organizational changes taking place that led to the decision to seek a new and stronger identity. A presentation created by L&M explained in detail the philosophy guiding the new communicative effort and the criteria used in selection of name and design system. In addition, Integon employees received a handsome brochure describing the firm's past and future aspirations.

The presentation, which was video-taped for later showings, was followed by a news conference that received heavy newspaper, radio and television coverage. A panel of experts, including the editor of the *Harvard Business Review*, fielded questions from the press. Also, a luncheon attended by local and state officials served to lend dignity and status to the occasion. According to one top executive who was there, the entire presentation was "a masterpiece of timing and execution."

When the Fidelity-Philadelphia Trust Company decided to change its name to Fidelity Bank and adopt a new identification system, a forceful advertising and promotion campaign was developed and launched several days before the changeover was to take effect. To complement the ad effort, all of the bank's outgoing communications were accompanied by a special folder carefully explaining the rationale behind the name change and new graphics program. More than 135,000 pieces were sent out along with mail deposit receipts, dividend checks and normal bank correspondence.

A timely, well-planned introduction to the public gives validity and substance to Chevron's new identity in Italian markets


American Motors

Education of employees, especially those who may be involved in implementation decisions, cannot begin too early. Bendix, for example, published a special newsletter specifically for the purpose of explaining the program to its employees, and to keep them informed of the progress being made in implementation. It told them when and where changes were being made, and whether or not implementation activities were moving along on schedule. This not only reinforced the program, but in Bendix's case helped shift employee allegiances from a particular division or subsidiary to the parent corporation. Bendix also invited L&M representatives to appear at regularly scheduled "communications seminars" so that key company personnel could achieve a more comprehensive understanding of the new identity program.

Other companies that succeeded in making a forceful, initial exposure of their new identity systems include Uniroyal, Chrysler, Citgo, PPG Industries, Canadian Pacific and J. I. Case, to name a few.

Some Common Problems

For those in charge, settling minor problems often seems to be an habitual way of life. Says one implementation executive, "Disconcerting problems—usually small ones, thank God—come up all the time. You've got to be a stickler for detail and have the persistence of a bull chasing a red flag."

Says another, "You can try your damndest, but you can't possibly anticipate everything. And the resistance to change! You can't imagine what we went through in order to get our new symbol applied to company retirement pins."

As might be expected, many of the problems encountered by implementation executives are human ones, or in the words of Eldon E. Fox, an executive who has guided communications programs for several major companies, "... the kinds that stem from the emotional equity attached to a man's job." He adds, "Of course, you're always going to find some people who are reluctant to accept a new corporate identity especially if it involves doing away with an ancient and revered name or symbol. But in this respect, it does seem as if there is a correlation with age and tenure. This just means you have to do a harder selling job."

One implementation executive who asked to be nameless commented, "Some of those divisional guys can be murder. That's why you've got to have an open wire to the very top. I don't like to do it that way, and seldom do, but sometimes you have no choice."

RCA's Mort Gaffin notes, "Because of the excellent support supplied by management, we've encountered little resistance. Nevertheless, we've found it highly advantageous to demonstrate the new direction the company is taking, to explain the reasons for the changes and the benefits that can be achieved."

Joe McLaughlin, the company's Manager of Corporate Identification Practices, goes on to explain one of the ways RCA accomplishes this. "I always carry with me a specially prepared slide presentation that contrasts examples of the old RCA look with those that reflect the new corporate style, and I'll show it to groups of one or a thousand. I'll talk to anyone about our program."

Commenting (in the *Public Relations Journal*) on what he would have done differently the second time around, Dayton-Hudson's Erickson says: "I would have a better-developed introductory public relations program than we did have, so as to prepare

American Motors' dramatic new look will be reflected in dealerships throughout the country.

people for the change. It was important to let them know why we felt the mark desirable—to try to involve our customers, getting their ideas and feelings so that when it was adopted it would not appear as an arbitrary decision on our part. That way, maybe, the customers would have had a proprietary interest in the matter and would have appreciated being consulted."

Another problem that appears to be a common one to all implementation executives is a lack of time. In retrospect, Eldon Fox stated, "If we were to start the project over again, I'd try to arrange for a little longer lead time between the moment the final decision was made with respect to the corporate identity strategy and the scheduled start of the implementation process."

Similar sentiments were echoed by Case's Don Fricker. "We're usually quite pressed for time. Looking back I can recall some particularly troublesome situations that took a considerable amount of time to solve. However, all were given time and thought and satisfactorily resolved."

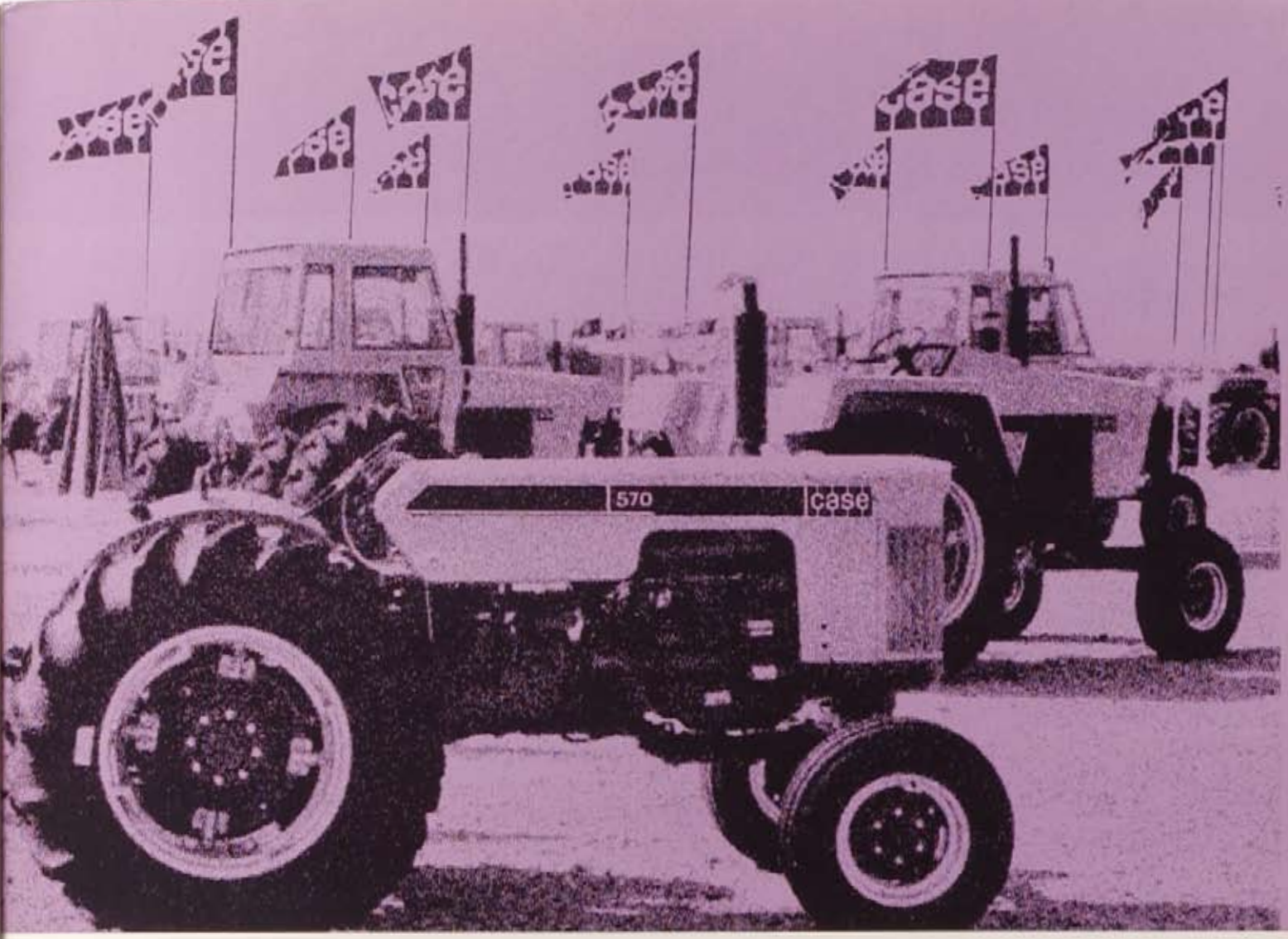
In Conclusion

It must now be obvious that having a sound identification strategy is not, of and by itself, any guarantee of communicative success. The effectiveness of any corporate identity system is only equal to the thoroughness with which it has been carried out. To recap, there must be visible manifestation of top management support, a highly qualified man must be selected to head up the program and given sufficient authority to administer it properly, and implementation activities must be planned, budgeted, scheduled, controlled and reviewed.

Because of the enormous effort required to implement a corporate identity program, it is imperative that a close-working partnership be maintained between the company and its consultant. Direct lines of communication must remain open at all times. The necessity of this type of relationship during the strategy-building and structuring of the program is obvious. But what is sometimes forgotten is that the consultant can be of great assistance during actual implementation. His knowledge and know-how can often simplify what appear to be insurmountable problems with subsequent savings of time and money.

In fact, to facilitate the implementation process at Chrysler Corporation, Lippincott & Margulies even went so far as to establish and maintain an in-plant design staff at the company's headquarters in Detroit.

The companies which have shown the greatest improvement in their corporate communications in recent years—firms like RCA, Bendix, Canadian Pacific, Chrysler, J. I. Case, Integon, Citgo, Fidelity Bank, United Virginia Bank and others—are those which now project clear, strong and consistent identities, ones which reflect their own unique corporate personalities, their business styles, their goals. It is not coincidental that they are also those which have taken the greatest pains to communicate their new corporate identities in every meaningful way.



J. I. Case launched its new identity at a special "Intro '70" conference attended by 2,200 dealers, sales and administrative personnel.

Imperatives of Implementation

1. Provide visible top management support.

2. Select a highly qualified executive to head the program and invest him with sufficient authority.

3. Base implementation activities on pragmatic business considerations and sound marketing concepts.

4. Communicate reasons, goals and objectives of new program to those within company who can assist in carrying them out.

5. Establish priorities for fulfilling implementation requirements as they relate to near-term marketing goals and long-range corporate objectives.

6. Budget and schedule programs well in advance.

7. Arrange for meaningful initial exposure to public, press, employees.

8. Maintain quality control by providing for continuing reviews.

Readers of this issue will find the following of special interest:

Sense 62
Enter Superbrand

A unique marketing concept that substantially heightens corporate flexibility and communications efficiency. The Pathmark story, a new look in retailing that allows Supermarkets General Corporation to diversify into profitable new areas of business without stultifying identification or communications problems.

Sense 59
The Vital Role of Communications in Mergers & Acquisitions

What's the most critical period in a merger or acquisition? Before? During? After? The often overlooked factor of corporate communications, its opportunities and problems. Detailed examination of each stage of corporate amalgamation, with useful checklists on what to do.

Design Sense 55
Growth and Your Price-Earnings Ratio

What's so important about the P/E ratio? Is it an accurate indicator of the financial world's assessment of your company? The ploys and counterploys of the new corporate game: acquire or be acquired. Comments from four Wall Street experts on the relationship of growth to the P/E ratio. Special test of your own company's attitude toward growth.

Corporate Identity:
A Realistic Look at an Often Misunderstood Science

What can a company reasonably expect from a corporate identity program? How soon will such programs produce results? Answers to these and other pressing questions that may be puzzling those confronted with a corporate identity problem. Common misconceptions set right.

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